

Morila

Morila recorded one LTI during the quarter, resulting in an LTIFR of 2.14 (Q4 2017: zero). No major environmental incident occurred during the quarter.

Gold production for the quarter amounted to 18 257oz, a decrease of 25% compared to the previous quarter (Q4 2017: 24 434oz), with lower grade and recovery partially offset by slightly higher throughput. Mining of the Domba satellite pit was completed in February as per plan and, following this, the main feed source for the quarter was the lower grade tailings storage facility (TSF) material.

The de-capping operation continued and 2 040kt of waste material was hydro sluiced to the pit.

Total cash costs for the quarter was \$969/oz, a 1% increase compared to the previous quarter (Q4 2017: \$959/oz), reflecting the lower grade and production, partially offset by tighter cost control.

The environmental permit for the Ntiola-Viper project has been granted to Morila and the requisite documents for the extension of Morila's mining permit have been filed. The application has been approved by the Minister of Mines and is now subject to final decree by the Prime Minister.

Sustainability

As mentioned above, no major environmental incidents occurred and the mine has obtained the updated ISO 14001:2015 certification after addressing all findings raised during the transition audit.

The government endorsement of the Morila agripole project is in process, with the Minister of Mines having sent a letter to the different governmental departments, as requested by the Prime Minister's cabinet, to obtain their individual endorsements of the project.

Capital expenditure

Capital expenditure of \$0.7 million for the quarter relates to the Ntiola-Viper project.

MORILA RESULTS

	Quarter ended 31 Mar 2018	Quarter ended 31 Dec 2017	Quarter ended 31 Mar 2017	12 Months ended 31 Dec 2017
Mining				
Tonnes mined (000)	1 299	1 722	-	2 291
Ore tonnes mined (000)	223	440	-	502
TSF material processed (000)	994	743	1 420	4 940
Milling				
Tonnes processed (000)	1 253	1 122	1 434	5 453
Head grade milled (g/t)	0.6	0.8	0.6	0.6
Recovery (%)	71.5	82.1	57.5	67.2
Ounces produced	18 257	24 434	13 569	70 019
Ounces sold	21 350	22 553	13 767	67 812
Average price received (\$/oz)	1 329	1 283	1 236	1 269
Cash operating costs ¹ (\$/oz)	890	882	1 000	911
Total cash costs ¹ (\$/oz)	969	959	1 074	988
Profit from mining activity ¹ (\$000)	7 674	7 304	2 231	19 108
Attributable (40%)				
Gold sales ¹ (\$000)	11 348	11 571	6 808	34 429
Ounces produced	7 303	9 774	5 428	28 008
Ounces sold	8 540	9 021	5 507	27 125
Profit from mining activity ¹ (\$000)	3 069	2 922	892	7 643
Gold on hand at period end ² (\$000)	484	2 040	761	2 040

Randgold owns 40% of Société des Mines de Morila SA (Morila) with the State of Mali and joint venture partner owning 20% and 40% respectively. The group equity accounts for its 40% joint venture holding in Morila.

¹ Refer to explanation of non-GAAP measures provided.

² Gold on hand represents gold in doré at the mines multiplied by the prevailing spot gold price at the end of the period.